

though, from this analysis which uses only UI benefit information as a data base.

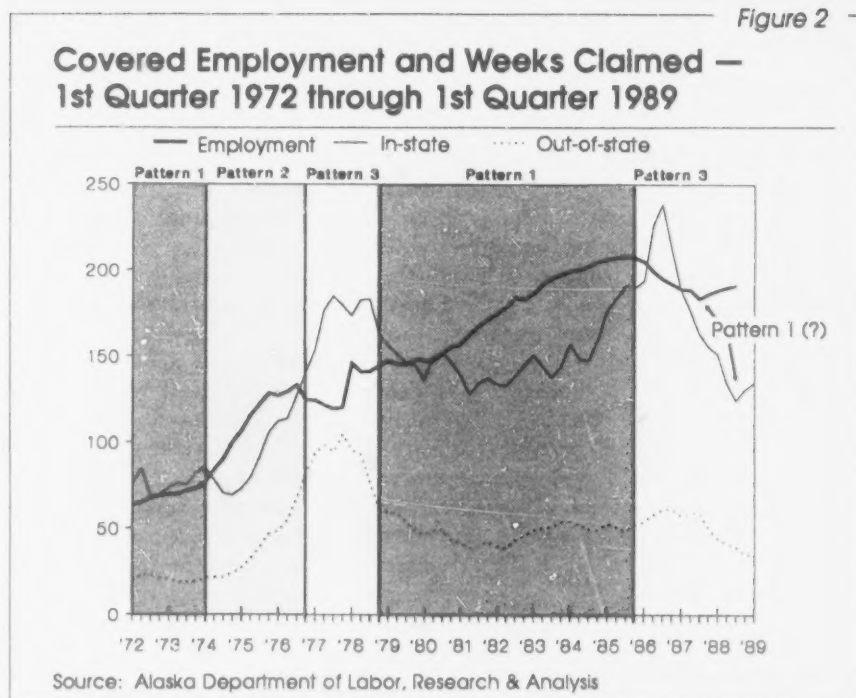
This article focuses on how migration and employment impact the change in levels of UI claimants, with particular emphasis paid to the two most recent recessions.

Data Available from UI Files:

Excluding special surveys, the only way to identify industries in which unemployed persons were last employed is through information obtained from UI files.^{2/} UI files also provide insight into migration patterns of those receiving unemployment insurance benefits. This insight is made possible by analyzing the numbers of UI checks mailed to in-state addresses as opposed to those mailed out of state.^{3/}

Alaska Since 1972: Three Types of Employment Patterns

Alaska has had a history of rapid growth, both in our population and our economy, punctuated by periods of short but severe declines. During good economic times, Alaska's employment



gains led the nation on a percentage basis. During these same times, Alaska's net migration rates were the highest in the nation.^{4/} As shown in Figure 1, Alaska's migration and employment closely paralleled each other in recent years. Both of these factors have played a large role in the number and destination of Alaska UI checks.

Figure 2 shows the level of seasonally adjusted covered employment,^{5/} and the number of benefit weeks claimed^{6/} both in-state and out-of-state. The movements of these three components suggest certain relationships among them.

^{2/} Neither the published unemployment rate series nor analysis of the unemployment insurance files can provide an industry unemployment rate. Because workers are free to work in any industry, no such rate can be created.

^{3/} In-state weeks: The total number of weeks claimed by or paid a claimant who worked in Alaska and still lives in the state.

Out-of-state weeks: The number of weeks claimed by or paid a claimant who worked in Alaska but now lives in another state.

^{4/} Net migration is the difference between the number of persons moving into an area and the number of persons leaving an area. The result can be either positive or negative. Cumulative net migration, shown in Figure 1, sums net migration over several time periods. Upward sloping lines indicate positive net migration between two time periods; downward sloping lines indicate negative net migration.

^{5/} Covered employment: The number of persons employed in jobs eligible to receive benefits under the UI system. Approximately 90 percent of all employed Alaskans work in such jobs.

^{6/} After an initial filing, an unemployed person can apply for a week of unemployment insurance. The number of weeks claimed is a tally of UI benefit weeks reported by all applicants. The tally does not differentiate between those claims found eligible or ineligible. (An applicant might be found ineligible for various reasons.)

Weeks paid is a subset of the weeks claimed data. Weeks paid data include only the number of UI benefit payments actually disbursed. The percentage of weeks paid to weeks claimed is usually consistent.

The employment patterns illustrated in Figure 2 can be separated into three different types:

- **1st Pattern: Steady Growth** — Periods in which Alaska's economy is experiencing sustained employment increases. During these times the Alaska economy is not experiencing any economic shocks which would cause employment to shift dramatically. In Figure 2, those periods of time which can be characterized as steady growth are most of 1972-1974, and between mid-1978 and mid-1985.
- **2nd Pattern: Accelerated Growth** — This occurred during the pipeline construction employment boom period from 1974 through 1976.
- **3rd Pattern: Recessions** — The first recessionary period began in late 1976 (as pipeline construction slowed) and continued through mid-1978. The second recession began in late 1985 with a downturn in the business cycle, and escalated into a full-scale recession in 1986 with the drop in world oil prices.

The Three Employment Patterns Affected UI Claims Differently

Several relationships exist between in-state UI weeks claimed and employment levels. Changes in employment will normally precede changes in UI weeks claimed because

employment levels affect the number of UI weeks claimed. If employment levels are steady (either showing no change or changing at a constant rate), UI weeks claimed are relatively stable. This relationship is evident in Figure 2 during the 1st Pattern periods of 1972-1974 and mid-1978 through 1985.

When Employment Is Growing ...

If employment growth is accelerating, the relationship between UI claims and employment growth is altered. Initially, UI weeks claimed fall as employment growth accelerates, a negative correlation. New job opportunities lower the number of persons on the UI rosters, and therefore the number of weeks claimed is also lowered. This negative relationship is short-lived however. Increased employment and demand for more workers soon attracts new persons to the state. (See Figure 1.) This development offsets the initial decline in weeks claimed, and the employment rate and the number of weeks claimed are soon parallel. ^{7/} Exemplifying this relationship is the 2nd Pattern of Figure 2, which covers 1974 through 1976.

When Employment Growth Subsides ...

When employment growth decreases as it does during recessions, the number of UI weeks claimed increase sharply. Such movements are shown in the 3rd Pattern. Employment and weeks claimed move in opposite directions for two to three quarters. Then the number of weeks claimed begins to decrease. Some of this can be attributed to unemployed workers finding jobs, a

development which decreases the number of UI payments. Since UI benefits have a set duration (usually between 16 and 39 weeks), even those who don't find jobs are eventually unable to claim benefits, causing the number of weeks claimed to drop again.

Migration Affects UI Claims, Too

Migration out of state can expedite the downward movement in UI payments. Various barriers (such as the inability to sell a home) cause some to remain in-state for awhile after having become unemployed. Still, if local jobs are unavailable, a certain percentage of people are forced to move, often to other states with stronger economies. If these unemployed people succeed in finding jobs out of state, they too are removed from the UI roster.

After employment levels stop falling, the economy reaches a new equilibrium, and a positive correlation again surfaces between the number of weeks claimed and employment.

Two Recent Recessions: Similarities and Dissimilarities

The two recent recessionary declines, which began in 1976 and in 1985, shared in common some characteristics. ^{8/} In both, net migration closely paralleled the level of employment. (See Figure 1.) Also, both recessions were preceded by impressive growth in employment related to the oil industry, the first directly and the second only somewhat less directly.

^{7/} A concept known as the 'natural rate of unemployment' explains why the number of unemployed (and therefore weeks claimed) will increase even as employment rises. The rationale is that a certain portion of persons will always be between jobs. As the number of employed workers increases, so too does the number of unemployed persons.

^{8/} Although the pipeline was not completed until mid-1977, pipeline related construction employment peaked in 1976. The UI system was affected earlier — than was the overall Alaska economy — by worker layoffs. For the purposes of UI data analysis, the last quarters of 1976 marked the beginning of the post-pipeline construction employment decline.

However, there are several significant differences between these two recessions. One distinction is the industry composition of the workforces. In the 1970s, many who moved to Alaska to work on the pipeline were employed in the construction industry. Most of these workers had little intention of remaining in the state after the pipeline's completion — a normal characteristic in construction employment. Thus, large employment gains were expected to be followed by large employment declines.

The more recent recession came as a surprise to many workers. Most of those who lost their jobs had no idea they were at risk of becoming unemployed. Few had plans to leave the state. Substantiating this point are the different patterns in weeks claimed by in-state and out-of-state claimants. (See Figure 2.)

During the pipeline construction employment downturn, the number of both in-state and out-of-state claims initially rose dramatically. As employment again showed growth at the end of 1977, the number of weeks claimed began to drop. Both in-state and out-of-state weeks paid continued to decline until early 1980. (Notice in Figure 2 that the two weeks claimed lines nearly parallel each other during this period.)

In the recent recession, in-state weeks claimed shows movements similar to the post-pipeline bust — a sharp initial rise followed by an equally rapid decline. Out-of-state weeks, however, showed little increase during the recent recession (unlike the movements during the prior economic downturn). Much of this divergence can be explained by analyzing different industries' number of weeks claimed.

Figure 3

In-state Weeks Paid by Industry, 1970-1988

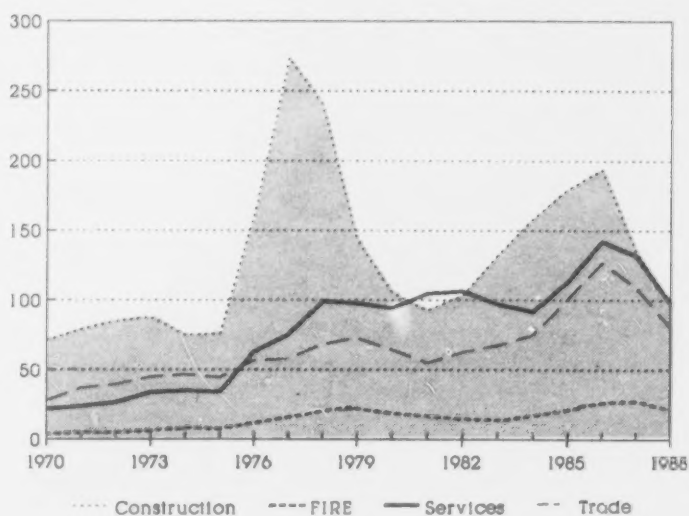
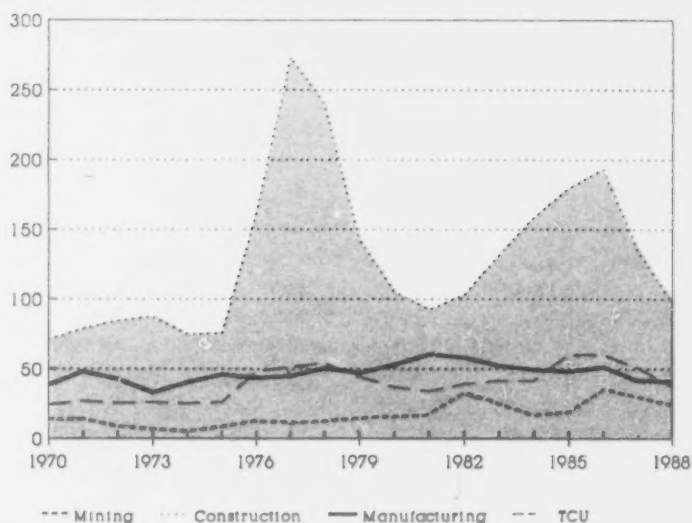
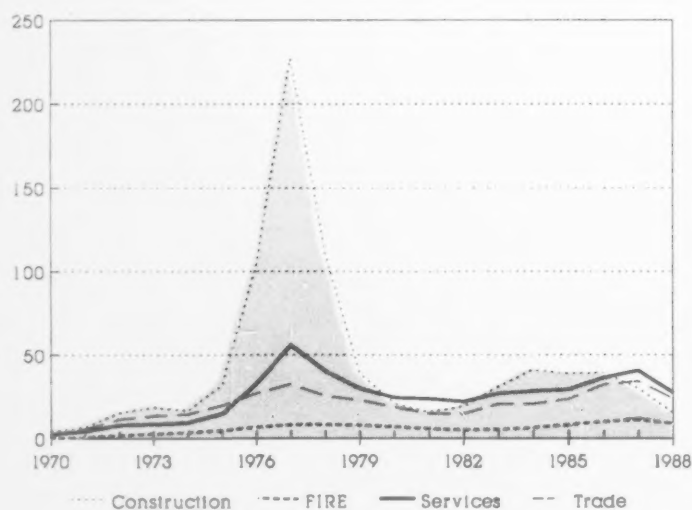
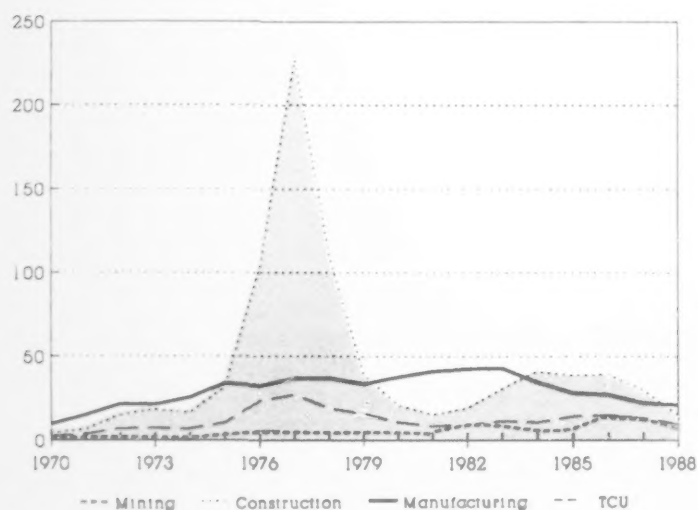


Figure 4

Out-of-state Weeks Paid by Industry, 1970-1988



Source: Alaska Department of Labor, Research & Analysis

On Construction and In-state & Out-of-state Weeks Paid:

The construction industry sustained large employment declines during both of the aforementioned economic downturns. The industry almost single-handedly accounted for the two periods' different patterns in the in-state and out-of-state weeks paid.

Figure 3 shows for certain industries a breakout of the number of in-state weeks paid. It's clear that the construction industry was most affected by the completion of the pipeline. Other industries were also affected (mainly those in the services, trade, and transportation, communication and utilities sectors), but to a much lesser degree than construction.

The number of in-state weeks paid by those formerly employed in construction dropped to a low in 1981, at which point it again rose sharply. Unlike the post-pipeline employment decline, this upward movement occurred during a time when the Alaska economy was posting steady growth. Employment was rising in the construction industry during much of this time.

Three factors caused this rise in the number of in-state weeks paid: the highly seasonal nature of construction employment, normal job turnover, and increasing employment. This development in the construction industry was unlike most other industries; most other industries' number of weeks paid remained constant until the economic decline beginning in late 1985.

Figure 4 shows the number of out-of-state weeks paid by those same industries listed in Figure 3. In the out-of-state weeks paid category, it was the construction industry which was once again affected most by the post-pipeline construction crash. Additionally, there was some rise in out-of-state payments attributed to the same industries which showed increases in in-state payments.

The construction industry, although still quite depressed during the more recent recession, had little impact on out-of-state weeks paid. Considering the large rise in in-state payments for this industry, the out-of-state weeks paid number was extremely low.

One major factor contributed to the construction industry's vastly different levels of out-of-state weeks paid during these two periods. The number of specially skilled construction workers living in Alaska during the 1970s was much less than what was needed to build the pipeline. Many workers from other states came to Alaska with the intent of returning home when the work was completed. In recent years, however, the supply of resident construction workers has usually been sufficient to meet the demand. In the early 1980s, the industry sustained a downturn before most other sectors of the economy, and, furthermore, its employment gains lagged behind those of most other industries.

In 1986 and 1987, some industries — especially those in trade, services, FIRE and mining — showed significant percentage increases in out-of-state payments. Still, this rise was very small compared to the total number of out-of-state weeks paid. (See Figure 2.) The number of out-of-state weeks claimed for 1986 and 1987 comprised a smaller portion of total claims in those years as a result of steady increases — from 1980 on — in employment and in-state weeks claimed.

UI Data Helps Confirm the End of the Recession

During the more recent recession, covered employment reached its lowest level during the third quarter of 1987. Since that time, rising employment levels have been used to indicate the end of the recent recession. UI information has supported this assertion.

If the historic relationship between in-state weeks claimed and employment holds constant, the 1988-89 rise in UI weeks claimed (as shown in Figure 2) indicates a return to the more steady employment levels associated with the aforementioned 1st Pattern.

Conclusion

Analyses of unemployment insurance records point out several differences between the two recent Alaska recessions. The post-pipeline construction recession was characterized by a very high portion of unemployment benefits being mailed to out-of-state addresses. The more recent recession caused a significant rise in benefit weeks claimed, nearly all of which came from in-state claimants.

Industry breakouts of claimants show the more recent recession to be much broader based than the post-pipeline construction downturn. Nearly every industry exhibited significant increases in claims. This wasn't the case during the earlier recession. The construction industry accounted for a much larger share of the number of weeks paid during the post-pipeline construction downturn than during the more recent recession.

Finally, the recent rise in in-state weeks claimed, a development which was preceded by employment gains beginning in late 1987, concur with the early stages of steady employment growth. This strengthens assertions that Alaska's most recent recession is indeed over.

About the Author:

Brian Rae is a labor economist employed four years with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau.

A First for 1989: Double Digit Threshold Broken

By John Boucher

In March, the statewide unemployment rate dropped below the double digit level for the first time in 1989. The rate declined six-tenths of one percentage point in March, falling to 9.5% unemployed. Translated, this 9.5% rate means there were more than 22,000 jobless Alaskans during the month of March. (See Table 5.)

March Estimates Exclude Oil Spill Effects

The employment and unemployment estimates for March don't include any employment changes caused by the Exxon Valdez oil spill. (The monthly estimates are based on a sample of employers who provide payroll data for the pay period that includes the 12th of the month. For most employers in the sample, the oil spill occurred after the close of the payroll that included March 12.) Because of the timing of the oil spill, March 24, most of the newly created employment associated with it will initially appear in the April estimates.

The short- and projected long-term economic effects of the oil spill disaster will be the partial subject of an article published in the July issue of *Alaska Economic Trends*.

Seasonal Male Workers Returned to Work

The primary reason for the drop in the March unemployment rate was males returning to work in some of Alaska's seasonal industries. This development was indicated by 'March Unemployment Weeks Claimed' data. ('March Unemployed Weeks Claimed' is defined as the number of people claiming unemployment insurance benefits during the week of March 12.)

Alaska's seasonal industries — particularly those in construction, mining and timber — tend to employ more males than less seasonal industries, such as those in the trade, government and service sectors. When seasonal industries geared up in March for the summer season, unemployed males went back to work, causing Alaska's overall unemployment rate to drop.

Because there is a tendency for a high percentage of males to be unemployed during the winter months, Alaska's annual average unemployment rate is higher for males than for females. In 1988, for example, the unemployment rate for males was 10.4 percent, while the unemployment rate for females was 8.1 percent.

Compared to the other 49 states, Alaska is unique with respect to the high percentage of male unemployment. Many states' 1988 male unemployment rates were slightly higher than their female rates. Alaska, though, had a greater spread between male and female unemployment rates than virtually all other states. (See Table 1.) This indicates that Alaska males experience more difficulty maintaining year-round employment than do their counterparts working in all other states. Again, the main reason for this phenomena is the high percentage of male participation in seasonal industries.

March Employment Gains Led by Manufacturing

The manufacturing industry gained the greatest amount of employment during March. Fueling the gains were heavy doses of wood products and seafood processing jobs. (See Table 2.)

Alaskans in the Southeast Region enjoyed most of the manufacturing job gains. Southeast spring crab and herring openings were responsible for added seafood processing employment. Meanwhile, the timber industry shook off ill effects of heavy snowfall and cold temperatures during the winter, adding nearly 600 logging jobs. Added employment of loggers came none too soon for the region, what with the Wrangell sawmill having closed in late March due to a lack of logs and a problem with waste disposal. The effects of the mill's closure is not reflected in the March estimates because of its late March closure.

Southeast's harsh 1988-89 winter and the resultant shortage of material to process is taking a toll on employment in the wood products industries. Industry employment counts are off 24% compared to record levels of one year ago. (See Table 3.) As the summer progresses, however, employment counts will likely approach those of one year ago.

Table 1

Male, Female & Total Unemployment Rates for Each State and Washington, D.C. - 1988 (Ranked by Total Unemployment Rate)

		Total Unemployment	Male Unemployment	Female Unemployment	Difference: (Male less Female)
1	Louisiana	10.9%	11.1%	10.6%	0.5%
2	West Virginia	9.9	10.5	9.2	1.3
3	ALASKA	9.3	10.4	8.1	2.3
4	Mississippi	8.4	7.4	9.7	-2.3
5	Kentucky	7.9	7.3	8.5	-1.2
6	New Mexico	7.8	7.9	7.6	0.3
7	Arkansas	7.7	6.6	9.0	-2.4
8	Michigan	7.6	7.8	7.3	0.5
9	Texas	7.3	7.1	7.5	-0.4
10	Alabama	7.2	6.3	8.4	-2.1
11	Illinois	6.8	7.0	6.6	0.4
11	Montana	6.8	6.9	6.6	0.3
13	Oklahoma	6.7	6.8	6.5	0.3
14	Colorado	6.4	6.7	6.0	0.7
15	Wyoming	6.3	6.8	5.7	1.1
15	Arizona	6.3	6.7	5.7	1
17	Washington	6.2	6.3	6.0	0.3
18	Ohio	6.0	6.3	5.7	0.6
19	Idaho	5.8	6.0	5.6	0.4
19	Oregon	5.8	5.6	6.1	-0.5
19	Tennessee	5.8	5.4	6.3	-0.9
19	Georgia	5.8	5.2	6.5	-1.3
23	Missouri	5.7	5.4	6.0	-0.6
24	Indiana	5.3	5.4	5.2	0.2
24	California	5.3	5.4	5.1	0.3
26	Nevada	5.2	5.8	4.4	1.4
27	Pennsylvania	5.1	5.2	4.9	0.3
28	District of Columbia	5.0	5.2	4.7	0.5
28	Florida	5.0	4.5	5.6	-1.1
30	Utah	4.9	4.7	5.1	-0.4
31	North Dakota	4.8	4.8	4.8	0
31	Kansas	4.8	4.4	5.2	-0.8
33	Iowa	4.5	4.5	4.5	0
33	South Carolina	4.5	3.8	5.4	-1.6
33	Maryland	4.5	3.7	5.3	-1.6
36	Wisconsin	4.3	4.5	3.9	0.6
37	New York	4.2	4.4	3.9	0.5
38	Minnesota	4.0	3.7	4.4	-0.7
39	South Dakota	3.9	4.0	3.9	0.1
39	Virginia	3.9	3.3	4.6	-1.3
41	New Jersey	3.8	3.8	3.9	-0.1
41	Maine	3.8	3.7	3.8	-0.1
43	Nebraska	3.6	3.4	3.8	-0.4
43	North Carolina	3.6	3.1	4.2	-1.1
45	Massachusetts	3.3	3.4	3.1	0.3
46	Hawaii	3.2	3.4	3.0	0.4
46	Delaware	3.2	3.4	2.9	0.5
48	Rhode Island	3.1	3.3	2.8	0.5
49	Connecticut	3.0	3.5	2.3	1.2
50	Vermont	2.8	2.7	2.9	-0.2
51	New Hampshire	2.4	2.1	2.9	-0.8

Sources: (Preliminary information from) *Geographic Profile of Employment and Unemployment, 1988*
U.S. Dept. of Labor, Bureau of Labor Statistics

Table 2

Nonagricultural Wage and Salary Employment By Place of Work

Alaska

	p/ 3/89	r/ 2/89	3/88	Changes from:	
				2/89	3/88
Nonag. Wage & Salary	206,900	203,600	202,300	3,300	4,600
Mining	10,000	9,800	9,100	200	900
Construction	6,500	6,100	7,000	400	-500
Manufacturing	12,100	10,800	11,900	1,300	200
Seafood Processing	6,000	5,300	5,700	700	300
Lumber & Paper Products	2,900	2,300	3,100	600	-200
All Other Manufacturing	3,200	3,200	3,100	0	100
Trans., Comm., & Utilities	16,500	16,300	16,500	200	0
Trucking & Warehousing	2,200	2,100	2,300	100	-100
Water Transportation	1,000	800	900	200	100
Air Transportation	5,200	5,200	5,100	0	100
Communications	3,100	3,200	3,300	-100	-200
All Other Transportation	5,000	5,000	4,900	0	100
Trade	40,100	39,700	39,100	400	1,000
Wholesale	7,200	7,100	7,000	100	200
Retail	32,900	32,600	32,100	300	800
General Merch. & Apparel	4,800	4,700	4,600	100	200
Food Stores	6,000	5,800	5,900	200	100
Eating & Drinking Places	11,900	11,900	11,700	0	200
All Other Retail	10,200	10,200	9,900	0	300
Finance, Insurance & Real Estate	10,600	10,600	10,800	0	-200
Services	42,200	41,900	41,100	300	1,100
Hotels & Other Lodging	3,900	3,900	3,900	0	0
Government	68,900	68,400	66,800	500	2,100
Federal	17,400	17,400	17,500	0	-100
State	20,700	20,600	19,500	100	1,200
Local	30,800	30,400	29,800	400	1,000

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark date: March 1988

p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis.

Red Dog Boosts Northern Construction

The construction industry statewide also showed signs of awakening from its winter slumber, gaining 400 jobs in March. Nearly one-third of the employment gain was related to continuing construction of the Red Dog mine near Kotzebue. Adding a lesser number of construction jobs during March was the state's other high profile project, the Bradley Lake hydroelectric dam near Homer.

Southeast construction employment grew by more than 10% during the month. The gains were broad based and not attributable to any one single project. Other regions' construction industry employment gains were relatively small, and generally related to improving weather conditions.

Mining — A Job Growth Leader

Higher oil prices and a resurgence in the minerals market continue to impact Alaska's mining industry. There were 10 percent more mining industry jobs this past March than there had been in March 1988. Contributing heavily to this job gain has been Alaska's oil field services sector which has increased its exploration and development activity on the North Slope.

Services and Trade Industries Post Slight Gains

The trade and service support sectors both posted broad based employment gains in March. Added service sector employment occurred in the medical care, legal, and social services fields. To a lesser extent job growth occurred in various business services. In retail trade, it was the food stores which gained the greatest amount of employment during March.

Nonagricultural Wage and Salary Employment By Place of Work

Anchorage Borough

	Changes from:				
	p/ 3/89	r/ 2/89	3/88	2/89	3/88
Nonag. Wage & Salary	99,100	98,250	98,200	850	900
Mining	3,700	3,600	3,300	100	400
Construction	3,200	3,100	3,550	100	-350
Manufacturing	2,200	2,150	2,250	50	-50
Trans., Comm. & Utilities	8,900	8,900	9,150	0	-250
Trucking & Warehousing	1,450	1,450	1,550	0	-100
Water Transportation	300	300	300	0	0
Air Transportation	3,150	3,150	3,200	0	-50
Communications	1,750	1,750	1,800	0	-50
All Other Transportation	2,250	2,250	2,300	0	-50
Trade	23,900	23,700	23,050	200	850
Wholesale	5,550	5,500	5,350	50	200
Retail	18,350	18,200	17,700	150	650
Gen. Merch. & Apparel	2,350	2,300	2,300	50	50
Food Stores	2,950	2,800	2,900	150	50
Eating & Drinking Places	7,500	7,550	7,200	-50	300
All Other Retail	5,550	5,550	5,300	0	250
Finance, Ins. & Real Estate	7,000	7,050	7,350	-50	-350
Services	24,100	23,950	23,700	150	400
Government	26,100	25,800	25,850	300	250
Federal	10,000	9,900	10,250	100	-250
State	7,500	7,400	6,950	100	550
Local	8,600	8,500	8,650	100	-50

Anchorage-MatSu Region

	Changes from:				
	p/ 3/89	r/ 2/89	3/88	2/89	3/88
Nonag. Wage & Salary	105,350	104,100	104,300	1,250	1,050
Mining	3,750	3,600	3,300	150	450
Construction	3,450	3,300	3,700	150	-250
Manufacturing	2,300	2,250	2,350	50	-50
Trans., Comm. & Utilities	9,550	9,500	9,800	50	-250
Trade	25,150	24,800	24,450	350	700
Finance, Ins. & Real Estate	7,350	7,400	7,750	-50	-400
Services	25,000	24,950	24,750	50	250
Government	28,800	28,300	28,200	500	600

Fairbanks North Star Borough

	Changes from:				
	p/ 3/89	r/ 2/89	3/88	2/89	3/88
Nonag. Wage & Salary	24,550	24,350	24,000	200	550
Mining	100	100	150	0	-50
Construction	1,100	1,050	1,100	50	0
Manufacturing	550	500	500	50	50
Trans., Comm. & Utilities	1,700	1,700	1,650	0	50
Trucking & Warehousing	350	350	350	0	0
Air Transportation	250	250	300	0	-50
All Other Transportation	1,100	1,100	1,000	0	100
Trade	5,200	5,100	5,100	100	100
Wholesale	650	650	700	0	-50
Retail	4,550	4,450	4,400	100	150
Food Stores	750	750	750	0	0
All Other Retail	3,800	3,700	3,650	100	150
Finance, Ins. & Real Estate	750	750	750	0	0
Services	5,500	5,500	5,500	0	0
Government	9,650	9,650	9,250	0	400
Federal	2,700	2,700	2,700	0	0
State	4,250	4,200	4,000	50	250
Local	2,700	2,750	2,550	-50	150

Interior Region

	Changes from:				
	p/ 3/89	r/ 2/89	3/88	2/89	3/88
Nonag. Wage & Salary	28,100	27,850	27,300	250	800
Mining	300	300	300	0	0
Construction	1,150	1,100	1,100	50	50
Manufacturing	550	550	500	0	50
Trans., Comm. & Utilities	2,000	2,000	1,900	0	100
Trade	5,500	5,400	5,350	100	150
Finance, Ins. & Real Estate	800	800	800	0	0
Services	5,950	5,900	5,900	50	50
Government	11,850	11,800	11,450	50	400

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark date: March 1988

p/ denotes preliminary estimates

r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis

(cont. on page 16)

Table 3 (cont. from page 15)

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 3/89	r/ 2/89	Changes from:		
			3/88	2/89	3/88
Nonag. Wage & Salary	29,550	27,950	28,700	1,600	850
Mining	250	250	200	0	50
Construction	800	700	950	100	-150
Manufacturing	4,100	3,000	4,400	1,100	-300
Seafood Processing	1,100	600	1,100	500	0
Lumber & Paper Products	2,700	2,150	3,050	550	-350
All Other Manufacturing	300	250	250	50	50
Trans., Comm. & Utilities	2,050	2,000	2,000	50	50
Trade	4,650	4,550	4,300	100	350
Wholesale	450	450	400	0	50
Retail	4,200	4,100	3,900	100	300
Finance, Ins. & Real Estate	1,000	1,000	1,050	0	-50
Services	4,750	4,600	4,500	150	250
Government	11,950	11,850	11,300	100	650
Federal	1,900	1,850	1,850	50	50
State	5,450	5,450	5,100	0	350
Local	4,600	4,550	4,350	50	250

Southwest Region

	p/ 3/89	r/ 2/89	Changes from:		
			3/88	2/89	3/88
Nonag. Wage & Salary (W&S)	12,750	12,600	12,250	150	500
Seafood Processing	2,450	2,450	2,300	0	150
All Other Private W&S	4,050	3,900	3,950	150	100
Government	6,250	6,250	6,000	0	250
Federal	1,300	1,300	1,250	0	50
State	550	550	450	0	100
Local	4,400	4,400	4,300	0	100

Gulf Coast Region

	p/ 3/89	r/ 2/89	Changes from:		
			3/88	2/89	3/88
Nonag. Wage & Salary	18,100	17,800	17,300	300	800
Mining	800	800	800	0	0
Construction	650	600	650	50	0
Manufacturing	2,650	2,450	2,400	200	250
Seafood Processing	1,950	1,800	1,800	150	150
All Other Manufacturing	700	650	600	50	100
Trans., Comm. & Utilities	1,400	1,350	1,300	50	100
Trade	3,300	3,300	3,150	0	150
Wholesale	500	500	450	0	50
Retail	2,800	2,800	2,700	0	100
Finance, Ins. & Real Estate	550	500	550	50	0
Services	3,150	3,150	3,000	0	150
Government	5,600	5,650	5,450	-50	150
Federal	500	500	500	0	0
State	1,700	1,750	1,550	-50	150
Local	3,400	3,400	3,400	0	0

Northern Region

	p/ 3/89	r/ 2/89	Changes from:		
			3/88	2/89	3/88
Nonag. Wage & Salary (W&S)	13,100	12,950	12,650	150	450
Mining	4,750	4,750	4,500	0	250
All Other Private W&S	3,900	3,750	3,650	150	250
Government	4,450	4,450	4,500	0	-50
Federal	350	350	350	0	0
State	350	350	350	0	0
Local	3,750	3,750	3,800	0	-50

Notes: Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark date: March 1988

p/ denotes preliminary estimates

r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis

Table 4

Alaska Hours and Earnings for Selected Industries ^{1/2}

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 3/89	r/ 2/89	3/88	p/ 3/89	r/ 2/89	3/88	p/ 3/89	r/ 2/89	3/88
Mining	\$1,125.68	\$1,109.32	\$1,140.95	48.5	50.7	49.2	\$23.21	\$21.88	\$23.19
Construction	906.64	914.33	904.04	39.8	40.8	38.8	22.78	22.41	23.30
Manufacturing	571.70	571.39	511.80	49.8	50.7	42.9	11.48	11.27	11.93
Seafood Processing ..	469.44	478.17	361.30	57.6	59.4	46.8	8.15	8.05	7.72
Lumber & Paper Prod.	634.27	620.67	647.80	41.0	40.7	39.5	15.47	15.25	16.40
Trans., Comm. & Util. ...	574.00	571.65	558.31	35.0	35.2	34.4	16.40	16.24	16.23
Trade	360.47	372.37	358.60	32.8	33.1	32.6	10.99	11.25	11.00
Wholesale	518.78	520.52	515.97	38.4	38.5	37.8	13.51	13.52	13.65
Retail	308.14	322.70	305.60	31.0	31.3	30.9	9.94	10.31	9.89
Finance, Ins. & R.E.	415.58	392.27	390.32	35.1	33.7	34.0	11.84	11.64	11.48

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: March 1988

^{1/} Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

^{2/} Excludes eating and drinking establishments.

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Oil Spill Worker Statistics Will Show Up In the Water Transportation Industry

Question: How will employment estimates reflect the new work force hired to clean up the Exxon Valdez oil spill?

Answer: Exxon has two prime contractors hiring clean-up crews — Norcon, a firm whose primary activity has been construction work, and VECO a firm whose primary activity has been oil field services work. Normally, additional employment in these two firms would be recorded as growth in construction and mining employment.

But because these clean-up workers are not regular employees of these firms, their added numbers won't be included in the construction and mining industries categories (even though they will appear on the two firms' payrolls). Federal guidelines dictate that firms primarily engaged in oil spill clean-up

be counted in the water transportation industry.

Every attempt will be made by Alaska Department of Labor economists to isolate all members of the new oil spill work force so that they're counted in Alaska's water transportation industry employment estimates. Only counted will be those directly working on clean-up projects, not those who may benefit indirectly. Excluded, for example, will be new employees hired by Prince William Sound restaurants and hotels; their numbers will appear in their normal industry categories.

Summary: March Showing Signs of Seasonal Surge

While March employment gains in most industries were not particularly noteworthy, the gains nevertheless showed that the state's seasonal economic doldrums have been shaken off. This development manifested itself

by broad based industry employment gains and by a decreasing unemployment rate.

The March estimates were relatively ordinary.

Less ordinary will be the April estimates and estimates published later in 1989. These estimates will account for the one event which will certainly provide the single, biggest impact on Alaska employment during the year — the effects of the Exxon Valdez oil spill.

About the Author:

John Boucher is a labor economist employed six years with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau.

Table 5

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	p/ 3/89	r/ 2/89	3/88	p/ 3/89	r/ 2/89	3/88	p/ 3/89	r/ 2/89	3/88	p/ 3/89	r/ 2/89	3/88
Alaska Statewide	232,842	234,596	235,822	22,024	23,624	26,236	9.5	10.1	11.1	210,818	210,972	209,586
Anch.-MatSu Region	121,670	122,562	124,599	9,517	9,962	11,985	7.8	8.1	9.6	112,153	112,600	112,614
Anchorage Borough	107,956	109,259	110,428	7,272	7,575	9,273	6.7	6.9	8.4	100,684	101,684	101,155
MatSu Borough	13,714	13,303	14,171	2,245	2,387	2,712	16.4	17.9	19.1	11,469	10,916	11,459
Gulf Coast Region	24,194	24,561	24,220	3,310	3,529	3,830	13.7	14.4	15.8	20,884	21,032	20,390
Kenai Peninsula Borough ..	15,402	15,586	15,422	2,564	2,657	2,888	16.6	17.0	18.7	12,838	12,929	12,534
Kodiak Island Borough	5,009	5,111	4,988	194	262	287	3.9	5.1	5.8	4,815	4,849	4,701
Valdez-Cordova	3,783	3,864	3,810	552	610	655	14.6	15.8	17.2	3,231	3,254	3,155
Interior Region	33,975	34,457	34,417	4,417	4,586	5,225	13.0	13.3	15.2	29,558	29,871	29,192
Fairbanks North Star Bor. ..	29,132	29,476	29,433	3,534	3,607	4,152	12.1	12.2	14.1	25,598	25,869	25,281
Southeast Fairbanks	2,010	2,073	2,056	345	390	411	17.2	18.8	20.0	1,665	1,683	1,645
Yukon-Koyukuk	2,833	2,908	2,928	538	589	662	19.0	20.3	22.6	2,295	2,319	2,266
Northern Region	7,892	8,118	7,934	704	817	812	8.9	10.1	10.2	7,188	7,301	7,122
Nome	2,991	3,081	3,030	311	359	374	10.4	11.7	12.3	2,680	2,722	2,656
North Slope Borough	2,838	2,920	2,800	156	196	143	5.5	6.7	5.1	2,682	2,724	2,657
Northwest Arctic Borough ..	2,063	2,117	2,104	237	262	295	11.5	12.4	14.0	1,826	1,855	1,809
Southeast Region	33,456	33,043	32,973	3,383	3,904	3,358	10.1	11.8	10.2	30,073	29,139	29,615
Haines Borough	864	831	832	127	117	106	14.7	14.1	12.7	737	714	726
Juneau Borough	14,660	14,284	14,447	919	968	915	6.3	6.8	6.3	13,741	13,316	13,532
Ketchikan Gateway Bor. ..	6,215	6,132	6,047	708	797	624	11.4	13.0	10.3	5,507	5,335	5,423
Pr. of Wales-Outer Ketch. ..	2,640	2,759	2,605	414	603	413	15.7	21.9	15.9	2,226	2,156	2,192
Sitka Borough	3,876	3,842	3,886	281	359	346	7.2	9.3	8.9	3,595	3,483	3,540
Skagway-Yakutat-Angoon ..	1,735	1,770	1,762	402	478	449	23.2	27.0	25.5	1,333	1,292	1,313
Wrangell-Petersburg	3,466	3,425	3,394	532	582	505	15.3	17.0	14.9	2,934	2,843	2,889
Southwest Region	11,655	11,855	11,679	693	826	1,026	5.9	7.0	8.8	10,962	11,029	10,653
Aleutian Islands	3,185	3,214	3,185	42	52	131	1.3	1.6	4.1	3,143	3,162	3,054
Bethel	4,447	4,514	4,427	322	364	418	7.2	8.1	9.4	4,125	4,150	4,009
Bristol Bay Borough	450	460	447	43	51	52	9.6	11.1	11.6	407	409	395
Dillingham	2,096	2,156	2,086	136	184	182	6.5	8.5	8.7	1,960	1,972	1,904
Wade Hampton	1,477	1,511	1,534	150	175	243	10.2	11.6	15.8	1,327	1,336	1,291

Notes: p/ denotes preliminary estimates

r/ denotes revised estimates

Benchmark: 1988

- Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.
- Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.
- The official definitions of unemployment currently in place exclude anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.

A Free Practicum for Alaska Job Counselors

A 'How To' workshop in Anchorage for teachers and counselors:

"Career Decision Making Using Labor Market Information"

This two-day workshop is designed to train teachers and counselors to help individuals use labor market information in making decisions about occupations and careers.

DATE: JUNE 7-8-9.

LOCATION: East High School.

PRESENTERS: Sally Saddler, Paul Williams and Neal Fried of the Alaska Department of Labor (DOL), and Kathy Libby of the Alaska Department of Education.

CREDIT: Counselors completing this workshop can receive credit toward professional

recertification through the National Board for Certified Counselors.

Class limit: 50

More information is available from DOL's Research & Analysis Section,
465-4500.

(NOTE: An identical May 31-June 1 Fairbanks workshop has been CANCELLED.)

Workshop participants will:

- Observe videotaped dramatizations of case studies about 'special needs clients',
- Learn of the processes used to arrive at workable solutions for the clients, and
- Explore through exercises, lectures, and video presentations the role of labor market information in a changing world and how this information can improve career decision making.

- *Readers of Alaska Economic Trends are invited to submit suitable illustrations for publication.*

The artist will be given credit.

The editor reserves the right to accept or reject all submissions. Those rejected will be returned to the artist.

All accepted illustrations become the property of Alaska Economic Trends.

NORTHERN

INTERIOR

SOUTHWEST

ANCHORAGE-
MATSU

GULF COAST

SOUTHEAST

Alaska Economic Regions

